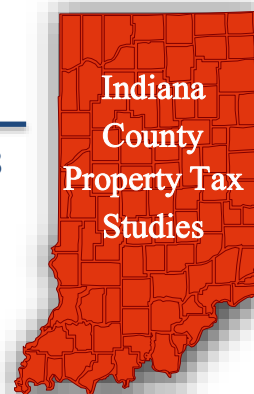


2013 Starke County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Starke County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Starke County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	1.2%	\$17,558,878	\$966,848,533	2.2%
Change		4.4%	0.1%	
2012	-1.8%	\$16,816,158	\$966,210,035	2.3%

Comparable Homestead Property Tax Changes in Starke County

The total tax bill for all taxpayers in Starke County increased by 1.2% in 2013. The main reason was a 4.4% increase in the property tax levy. An increase in local property tax credits helped hold the tax bill rise below the levy increase. In this reassessment year, certified net assessed value increased by just 0.1% but billed net AV declined by 2.5%. Tax cap credits as a share of the levy were little changed, falling from 2.3% in 2012 to 2.2% in 2013.

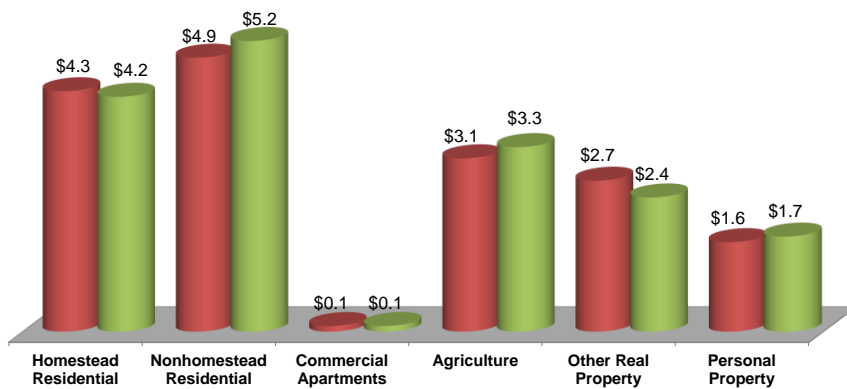
Starke County homeowners experienced a 2.2% decrease in property tax bills in 2013. This was due to a decline in homestead net assessed value and an increase in local property tax credits, which offset an increase in property tax rates. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	2,786	40.5%
No Change	237	3.4%
Lower Tax Bill	3,851	56.0%
Average Change in Tax Bill	-2.2%	
Detailed Change in Tax Bill		
20% or More	735	10.7%
10% to 19%	600	8.7%
1% to 9%	1,451	21.1%
-1% to 1%	237	3.4%
-1% to -9%	1,725	25.1%
-10% to -19%	1,065	15.5%
-20% or More	1,061	15.4%
Total	6,874	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$16.7 ■ 2013 - Total \$16.9



In Starke County net property taxes were divided among nonhomestead residential (small rentals and second homes), homestead, and business (other real and personal) property owners in 2013. Total net property taxes increased 1.2%, less than the average 2.1% increase statewide. Personal property saw the largest percentage increase, while business real net taxes decreased by the largest percentage.

Property tax rates increased in all but one of the 14 Starke County tax districts in 2013. The average tax rate rose by 4.3% because a levy increase exceeded a small increase in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Starke County increased by 4.4%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Starke County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$710,675,400	\$680,559,300	-4.2%	\$264,475,806	\$249,593,506	-5.6%
Other Residential	325,258,600	328,583,300	1.0%	324,796,965	327,888,282	1.0%
Ag Business/Land	207,133,700	206,866,900	-0.1%	205,096,151	204,798,722	-0.1%
Business Real/Personal	227,501,359	213,397,049	-6.2%	198,274,603	186,032,907	-6.2%
Total	\$1,470,569,059	\$1,429,406,549	-2.8%	\$992,643,525	\$968,313,417	-2.5%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Starke County's total billed net assessed value decreased by 2.5% in 2013. Declines in homestead and business assessments were the main reasons. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$38,633	\$27,330	-\$11,303	-29.3%
2%	352,184	362,869	10,685	3.0%
3%	0	0	0	0.0%
Elderly	1,496	3,119	1,623	108.5%
Total	\$392,313	\$393,317	\$1,004	0.3%
% of Levy	2.3%	2.2%		

Total tax cap credits in Starke County were \$393,317, which was 2.2% of the levy. This was less than the state average of 10.9%, and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits, and Starke County's average tax rate was less than the median rate statewide. Most of the

tax cap credits in Starke County were in the 2% nonhomestead residential/farmland category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Starke County increased \$1,004 between 2012 and 2013. The levy increased, however, so credits as a share of the total levy fell from 2.3% in 2012 to 2.2% in 2013.

Starke County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
County Total	14,908,408	17,213,889	17,192,870	16,816,158	17,558,878	15.5%	-0.1%	-2.2%	4.4%
Starke County	3,353,619	3,601,565	3,754,551	3,873,536	3,794,881	7.4%	4.2%	3.2%	-2.0%
California Township	264,911	279,764	287,739	297,015	299,654	5.6%	2.9%	3.2%	0.9%
Center Township	34,671	53,889	35,652	67,986	88,150	55.4%	-33.8%	90.7%	29.7%
Davis Township	51,174	50,868	56,599	30,533	31,338	-0.6%	11.3%	-46.1%	2.6%
Jackson Township	14,719	15,582	15,018	18,126	18,260	5.9%	-3.6%	20.7%	0.7%
North Bend Township	70,367	71,771	71,462	70,368	12,330	2.0%	-0.4%	-1.5%	-82.5%
Oregon Township	99,274	106,217	108,919	141,177	144,542	7.0%	2.5%	29.6%	2.4%
Railroad Township	90,563	98,852	100,059	104,217	99,510	9.2%	1.2%	4.2%	-4.5%
Washington Township	106,462	153,371	116,264	107,179	106,379	44.1%	-24.2%	-7.8%	-0.7%
Wayne Township	55,568	59,584	61,654	62,943	48,897	7.2%	3.5%	2.1%	-22.3%
Knox Civil City	1,211,204	1,395,670	1,389,201	1,474,440	1,320,920	15.2%	-0.5%	6.1%	-10.4%
Hamlet Civil Town	159,894	192,064	196,659	201,217	204,718	20.1%	2.4%	2.3%	1.7%
North Judson Civil Town	379,074	408,813	419,524	432,271	437,284	7.8%	2.6%	3.0%	1.2%
Culver Community School Corp	403,775	437,759	440,752	443,981	479,059	8.4%	0.7%	0.7%	7.9%
Oregon-Davis School Corp	1,280,426	1,948,183	1,835,536	1,723,287	2,032,985	52.2%	-5.8%	-6.1%	18.0%
North Judson-San Pierre School Corp	2,018,589	2,054,326	2,334,608	2,122,579	2,384,047	1.8%	13.6%	-9.1%	12.3%
Knox Community School Corp	4,093,178	4,931,910	4,673,468	4,303,535	4,613,462	20.5%	-5.2%	-7.9%	7.2%
North Judson Public Library	186,163	208,343	224,941	221,836	232,903	11.9%	8.0%	-1.4%	5.0%
Starke County Public Library	810,093	910,798	824,542	874,515	966,880	12.4%	-9.5%	6.1%	10.6%
Starke County Airport Authority	224,684	234,560	245,722	245,417	242,679	4.4%	4.8%	-0.1%	-1.1%
Starke County Solid Waste Mgmt Dist	0	0	0	0	0				

Starke County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

			Credit Rates						Net Tax Rate, Homesteads
Dist #	Taxing District	Tax Rate	LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
75001	California Township-NJSP School	1.8001	--	--	5.6962%	--	--	--	1.6976
75002	California Township-Knox School	1.8049	--	--	5.5993%	--	--	--	1.7038
75003	Center Township	1.7127	--	--	6.6679%	--	--	--	1.5985
75004	Knox City (Center)	2.8643	--	--	4.4603%	--	--	--	2.7365
75007	Jackson Township	1.6986	--	--	6.5767%	--	--	--	1.5869
75008	North Bend Township	0.9627	--	--	12.0450%	--	--	--	0.8467
75009	Oregon Township	1.5942	--	--	7.7503%	--	--	--	1.4706
75011	Railroad Township	1.7841	--	--	6.0771%	--	--	--	1.6757
75012	Washington Township	1.7646	--	--	6.7982%	--	--	--	1.6446
75013	Wayne Township	1.7404	--	--	5.8923%	--	--	--	1.6379
75014	North Judson Town (Wayne)	2.8417	--	--	3.8058%	--	--	--	2.7336
75015	Davis Township	1.5690	--	--	7.8383%	--	--	--	1.4460
75016	Hamlet Town-Davis Twp	2.6324	--	--	4.7418%	--	--	--	2.5076
75017	Hamlet Town-Oregon Twp	2.6312	--	--	4.2243%	--	--	--	2.5201

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Starke County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	27,330	362,316	0	3,119	392,764	17,558,878	2.2%
<i>TIF Total</i>	0	553	0	0	553	88,202	0.6%
<i>County Total</i>	27,330	362,869	0	3,119	393,317	17,647,080	2.2%
Starke County	3,790	50,313	0	665	54,769	3,794,881	1.4%
California Township	32	0	0	30	62	299,654	0.0%
Center Township	38	659	0	11	708	88,150	0.8%
Davis Township	1	173	0	13	187	31,338	0.6%
Jackson Township	0	0	0	2	2	18,260	0.0%
North Bend Township	0	0	0	2	2	12,330	0.0%
Oregon Township	1	46	0	20	67	144,542	0.0%
Railroad Township	0	0	0	24	24	99,510	0.0%
Washington Township	0	0	0	13	13	106,379	0.0%
Wayne Township	89	692	0	14	796	48,897	1.6%
Knox Civil City	5,760	100,393	0	273	106,425	1,320,920	8.1%
Hamlet Civil Town	104	11,258	0	33	11,396	204,718	5.6%
North Judson Civil Town	5,334	41,447	0	92	46,873	437,284	10.7%
Culver Community School Corp	0	0	0	82	82	479,059	0.0%
Oregon-Davis School Corp	75	8,128	0	398	8,602	2,032,985	0.4%
North Judson-San Pierre School Corp	5,121	39,791	0	586	45,498	2,384,047	1.9%
Knox Community School Corp	5,288	88,807	0	599	94,695	4,613,462	2.1%
North Judson Public Library	886	6,888	0	65	7,839	232,903	3.4%
Starke County Public Library	567	10,500	0	155	11,222	966,880	1.2%
Starke County Airport Authority	242	3,217	0	43	3,502	242,679	1.4%
Starke County Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Knox	0	553	0	0	553	85,721	0.6%
TIF - Sysco	0	0	0	0	0	2,481	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.